# BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268–0001

RECEIVED

FEB 14 4 28 PM '00

POSTAL PATE CONSISTING OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

### RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TOLLEY TO INTERROGATORIES OF UNITED PARCEL SERVICE (UPS/USPS-T6-5 - 8)

The United States Postal Service hereby provides the responses of witness Tolley to the following interrogatories of United Parcel Service: UPS/USPS-T6-5 - 8, filed on January 31, 2000.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Eric P. Koetting

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2992 Fax -5402 February 14, 2000

UPS/USPS-T6-5. Refer to page 25 of your testimony, at lines 22-23, where you state that "Nonhousehold entities, primarily businesses are involved in the preponderance of First-Class Mail."

- (a) Is it your testimony that most First Class letter mail volume is sent by business mailers?
- (b) Is it your testimony that most First Class letter mail volume is delivered to business customers?
- (c) Is it your testimony that most First Class letter mail volume is either delivered to or sent by business mailers?
- (d) Provide for BY 1998 (i) the volume of First Class letter mail that was sent to residential customers, and, separately, (ii) the volume that was sent by businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (e) Provide for BY 1998 (i) the volume of First Class letter mail that was sent to residential customers, and, separately, (ii) the volume that was sent to businesses. If the information is not available, provide the Postal Service's best estimates of such volumes.
- (f) Provide for First Class letter mail the volume that was sent by businesses to residences in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (g) Provide for First Class letter mail the volume that was sent by businesses to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (h) Provide for First Class letter mail the volume that was sent by residential customers to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (i) Provide for First Class letter mail the volume that was sent by residential customers to residences in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (j) Is it testimony that most single piece First Class letter mail volume is sent by business mailers?
- (k) Is it your testimony that most single piece First Class letter mail volume is delivered to business customers?
- (I) Is it your testimony that most First Class letter mail volume is either delivered to or sent by business mailers?
- (m) Provide for BY 1998 (i) the volume of single piece First Class letter mail that was sent by residential customers, and, separately, (ii) the volume that was sent by businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (n) Provide for by 1998 (i) the volume of single piece First class letter mail that was sent to residential customers, and, separately, (ii) the volume that was sent to businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.

- (o) Provide for single piece First Class letter mail the volume that was sent by businesses to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (p) Provide for single piece First Class letter mail the volume that was sent by businesses to residential customers in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (q) Provide for single piece First Class letter mail the volume that was sent by residential customers to residences in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (r) Provide for single piece First Class letter mail that was sent by residential customers to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.

### RESPONSE:

- (a) No
- (b) No
- (c) Yes
- (d) (i) According to the 1998 Household Diary Study, Table 4-32, First-Class letter mail can be distinguished between households and nonhouseholds as follows (0.5% of First-Class letters are unidentified by origin or destination according to the Household Diary Study). Nonhouseholds include nonprofit and government organizations.
  - (d) (i) 15.1%
  - (d) (ii) 84.4%
  - (e) (i) 45.8%
  - (e) (ii) 53.7%
  - (f) 39.6%
  - (g) 44.8%
  - (h) 8.9%
  - (i) 6.2%

- (j) No
- (k) No
- (I) Please see my answer to part (c) above.
- (m) (r) According to the 1998 Household Diary Study, Table 4-35, single-piece First-Class letter mail can distinguished between households and nonhouseholds as follows (0.4% of single-piece First-Class letters are unidentified by origin or destination according to the Household Diary Study). Nonhouseholds include nonprofit and government organizations.
  - (m) (i) 26.8%
  - (m) (ii) 72.9%
  - (n) (i) 32.8%
  - (n) (ii) 66.9%
  - (o) 51.1%
  - (p) 21.8%
  - (q) 11.0%
  - (r) 15.8%

UPS/USPS-T6-6. Refer to page 71 of your testimony, at lines 21-23, where you state, "Private cards are used for short notices and greetings and are sent by households, respondents to firms that engage in business-reply advertising, utility companies and other firms."

- (a) Is it your testimony that most single piece Private Card volume is sent by residential mailers?
- (b) Is it your testimony that most single piece Private Card volume is delivered to residential customers?
- (c) Is it your testimony that most single piece Private Card volume is either delivered to or sent to residential mailers?
- (d) Provide for BY 1998 (i) the volume of single piece Private Cards that were sent by residential customers, and separately, (ii) the volume that were sent by businesses. If this information is not available, provide the Postal Service's best estimate of such volumes.
- (e) Provide for BY 1998 (i) the volume of single piece Private Cards that were sent to residential customers, and, separately, (ii) the volume that were sent to businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (f) Provide the volume of single piece Private Cards that were sent by businesses to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (g) Provide the volume of single piece Private Cards that were sent by businesses to residential customers in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (h) Provide the volume of single piece Private Cards that were sent by residential customers to residences in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (i) Provide the volume of single piece Private Cards that were sent by residential customers to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.

#### RESPONSE:

- (a) No
- (b) No
- (c) No
- (d) (i) Information from Tables 4-38 and 4-41 of the 1998 Household Diary Study can be combined to distinguish single-piece First-Class cards volume between households and nonhouseholds as follows (0.4% of single-piece First-Class cards are

unidentified by origin or destination according to the Household Diary Study).

Nonhouseholds include nonprofit and government organizations.

- (d) (i) 11.8%
- (d) (ii) 87.9%
- (e) (i) 50.8%
- (e) (ii) 48.9%
- (f) 42.7%
- (g) 45.2%
- (h) 5.6%
- (i) 6.2%

UPS/USPS -T6-7. (a) Provide for BY 1998 (i) the volume of First Class Mail that was sent by residential customers, and, separately, (ii) the volume that was sent by businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.

- (b) Provide for BY 1998 (i) the volume of First Class Mail that was sent to residential customers, and, separately, (ii) the volume that was sent to businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (c) Provide the volume of First Class Mail that was sent by businesses to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (d) Provide the volume of First Class Mail that was sent by businesses to residential customers in BY 1998. If this information is not available provide the Postal Service's best estimates of such volumes.
- (e) Provide the volume of First Class Mail that was sent by residential customers to residences in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.
- (f) Provide the volume of First Class Mail that was sent by residential customers to businesses in BY 1998. If this information is not available, provide the Postal Service's best estimates of such volumes.

### RESPONSE:

According to the 1998 Household Diary Study, Table 4-1, First-Class Mail can be distinguished between households and nonhouseholds as follows (0.5% of First-Class Mail is unidentified by origin or destination according to the Household Diary Study). Nonhouseholds include nonprofit and government organizations.

- (a) (i) 14.8%
- (a) (ii) 84.8%
- (b) (i) 46.8%
- (b) (ii) 52.8%
- (c) 44.1%
- (d) 40.7%
- (e) 6.1%
- (f) 8.7%

UPS/USPS-T-6-8. Refer to page 155 of your testimony, at lines 4-7, where you state that "Parcel Post is used most heavily by residential customers."

- (a) Is it your testimony that most Parcel Post volume is either delivered to or sent by residential mailers?
- (b) Provide for BY 1998 (i) the volume of Parcel Post that was sent to residential customers, and, separately, (ii) the volume that was sent to businesses. If this information is not available, provide the Postal Service's best estimates of such volumes.

### RESPONSE:

Please see my response to UPS/USPS-T6-3.

### DECLARATION

I, George Tolley, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.

(Signed)

Date

### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Eric P. Koetting

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2992 Fax –5402 February 14, 2000